



What are Sector Partnerships?

Sector partnerships *organize stakeholders* connected with a specific local or regional industry to *develop workforce development strategies* within the industry.

What is the Indiana Sector Partnerships Field Research Project?

The Indiana Skills2Compete Coalition has had State-supported Sector Partnerships as a priority since 2010. However, exactly *how* the State should be supporting these partnerships has been unclear, and to what extent these partnerships were organically developing was also unclear. The Coalition, decided to put some of its resources into field research to get the “lay of the land” vis-à-vis sector partnerships here in Indiana.

With who have we met to collect state-level data?

- Regional Workforce Board Executive Directors;
- Economic Development Organization Staff and leadership;
- Businesses;
- Human Service Organizations;
- Community Foundations; and
- Non-Profits that have an interest in education or training

Preliminary Findings from field research completed thus far:

There are about 10 partnerships across the state that have major characteristics of sector partnerships. Many partnerships have features that are simultaneously *less than the level of a sector partnership and more than those of a sector partnership*. What we mean by this is that in some ways they may be lacking from the “textbook definition” of a sector partnership, but may also be going above and beyond in other ways. Additionally there are other projects that have the potential to evolve into sector partnerships, if given the necessary information, guidance, and incentives. The most commonly chosen industries for focus are: Advanced Manufacturing (Vehicle, RV, and Medical Device); Health Care; Tourism; Food Packaging; and Business Services.

Many of these regional groups have shown attributes of sector partnerships that we find promising. Examples of these ‘promising practices’ include: having good approaches to the group’s sustainability; taking in varied local level input; focusing on regionally-appropriate economic drivers; and working collaboratively across the region.

In most areas the right things are happening at the “project level”, but in some cases these efforts could be better coordinated and incorporated into a larger effort. These opportunities are largely driven by case by case reactions to individual, or a handful of, employer needs.

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Looking ahead, our central concern is that these potential sector groups are taking too narrow a view of the voices from their region to include at the table, and the resources that can be brought into their initiatives. Groups may be missing out on valuable resources and insights by not having all categories of stakeholders at the table. While representatives from every group might not be necessary, the chairs at the table should reflect the needs of the region. For example, if the data bears out that a significant portion of a region's workforce is made up of low-skill, low-to-moderate income adults, then that region will clearly need human services and low-literacy stakeholders around their table.

The structure of sector partnerships itself can have a great impact on their effectiveness. In some regions there is a high level of coordination and collaboration happening, but it is more or less informal and loosely structured. Formalizing the collaboration promotes buy-in, makes stakeholders feel their input is valued and keeps partners accountable to one another. This structure and formalization doesn't have to occur through bureaucracy and exhaustive meetings, and could actually reduce meetings by bringing all partners around a common table at regular intervals.

Other pitfalls can occur when groups focus too heavily on multiple industries or only include large employers at the table. Each partnership should focus in on ONE industry; even if that means that each region has multiple partnerships. It is imperative that the industry members at the table are convicted and engaged in the work of the partnership; they don't want to spend time and resources dealing with the workforce development needs of another industry. In a related concern, representatives from the entire industry need to be involved, in a systemic approach. This means including firms of various sizes, as well as infrastructure companies, parts suppliers, distributors, etc.

Concerns expressed by the regions:

Many groups expressed concerns of state policies or mandates that might be too restrictive or too prescriptive. Many community leaders expressed to us the importance of sector strategies happening organically across the state, but perhaps with guidance, information sharing, and incentives (i.e. planning grants).

Our Work with CLASP and NGA

A career pathways approach can be layered on a sector strategy in order to both address employers' workforce needs in a particular industry as well as provide workers and job seekers opportunities to achieve economic security and advancement. A region thrives when employers have the skilled workers they need to remain competitive and workers have credentials and adequate earnings to support their families and a robust regional economy. The Institute is working with Center on Law and Social Policy and National Governor's Association to develop

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a new framework that will provide guidance to groups to pursue a combined career pathways and sector partnership strategy. It is our hope that this new combined framework will be used to develop state priorities for these partnerships as well.

Preliminary recommendations for state support of these partnerships

There will be more in-depth recommendations in the final report. Right now our preliminary recommendations are simply:

- Information Sharing/Guidance
- Offer Start-up and Implementation Grants
- Industry and Educational Attainment Data
- Technical Assistance/Capacity Building

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